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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation

MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS
(Legislative Department)

New Delhi, the 2nd September, 1973/Bhadra 11, 1895 (Saka)

The following President's Act is published for general information:—

THE UTTAR PRADESH KRISHI UTPADAN MANDI (SANSHODHAN) ACT, 1973

NO. 13 OF 1973

Enacted by the President in the Twenty-fourth Year of the Republic of India.

An Act further to amend the Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964

In exercise of the powers conferred by section 3 of the Uttar Pradesh State Legislature (Delegation of Powers) Act, 1973, the President is pleased to enact as follows:— 33 of 1973.

Short title.

1. This Act may be called the Uttar Pradesh Krishi Utpadan Mandi (Sanshodhan) Act, 1973.

Amendment of section 2

2. In section 2 of the Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964 (hereinafter referred to as the principal Act),—

(*i*) after clause (*a*), the following clause shall be inserted, namely:—

"(*aa*) 'Board' means the State Agricultural Produce Markets Board constituted under section 26-A;";

(*ii*) after clause (*d*), the following clause shall be inserted, namely:—

"(*dd*) 'Collector', in relation to a Committee for a Market area, means the Collector of the District where the Principal Market Yard of that Market Area is situated, and includes such other officer as may be authorised by him in that behalf;";

(*iii*) for clause (*h*), the following clause shall be substituted, namely:—

"(*h*) 'Director' means an officer appointed by the State Government as Director of Mandis and includes any other officer authorised by the Director to perform all or any of his functions under this Act;";

(*iv*) after clause (*q*), the following clause shall be inserted, namely:—

"(qq) 'Regulations' means regulations made by the Board in accordance with the provisions of section 26-X;".

Omission of section 3.

3. Section 3 of the principal Act shall be omitted.

Amendment of section 7.

4. In section 7 of the principal Act, the following shall be inserted as proviso thereto, namely:—

"Provided that the whole of the Principal Market Yard shall be located within the limits of one district only.".

Amendment of section 8.

5. In section 8 of the principal Act, in sub-section (*2*), for clause (c), the following clause shall be substituted, namely:—

"(c) all property and assets, all rights, liabilities and obligations of the dissolved Market Committee in respect of civil or criminal proceedings, contracts, agreements or any other matter or thing arising in relation to any part of the Market Area of a dissolved Market Committee shall be vested in and stand transferred to the new Market Committee having jurisdiction over that part;".

Amendment of section 12.

6. In section 12 of the principal Act,—

(*i*) in sub-section (*1*), in the proviso thereto, for the word "Director", the word "Board" shall be substituted;

(*ii*) in sub-section (*2*), after the words and figures "Land Acquisition Act, 1894", the words "and any other law for the time being in force" shall be inserted.

Amendment of section 13

7. In section 13 of the principal Act,—

(*i*) in sub-section (*1*),—

(a) after clause (*iii*), the following clause shall be inserted, namely:—

"(*iii-a*) one nominee of the Food Corporation of India, if he is holding a licence for transacting business in the Market Area;";

(b) for clause (*vii*), the following clause shall be substituted, namely:—

"(*vii*) ten producers of the Market Area including not less than two producers belonging to the Scheduled Castes, elected by the Pradhans of the Gaon Sabhas having jurisdiction over any part of the Market Area;";

(c) clause (*vii-a*) shall be omitted;

(*ii*) in sub-section (*2*), the words "and period" shall be omitted;

(*iii*) in sub-section (*3*), the brackets and letters "(*vii-a*)" shall be omitted;

(*iv*) after sub-section (5), the following sub-section shall be inserted, namely:—

"(*5A*) A member referred to in clause (*ix*) of sub-section (*1*) shall cease to be a member on his ceasing to hold office as Chairman of the Utpadan Samiti.";

(*v*) for sub-sections (*6*), (*7*), (*8*) and (*9*), the following sub-sections shall be substituted, namely:—

"(*6*) The Director shall, as soon as may be, publish, by notification in the Gazette, the names and addresses of the persons elected or nominated, and also notify the date on which the Committee has been duly constituted which shall not be earlier than the date on which the names of at least three-fourth of its members have been so published.

(*7*) The Committee constituted under sub-section (*6*) shall elect its Chairman from amongst its producer members and Vice-Chairman from amongst its remaining members in the manner prescribed.

(*8*) The term of office of the members of the Committee shall commence from the respective dates of publication of their names under sub-section (*6*) and shall, save as otherwise provided, expire on the expiration of a period of four years from the date of the constitution of the Committee notified under sub-section (*6*).

(*9*) The term of office of the Chairman or the Vice-Chairman shall commence from the date of his having taken oath administered by the Collector or his nominee and shall, save as otherwise provided in this Act, expire with the term of their membership of the Committee.";

(*vi*) sub-section (*13*) shall be omitted.

Amendment of section 16.

8. In section 16 of the principal Act,—

(*i*) in sub-section (*1*), for the words "as may be prescribed by Director", the words "as may be specified in any directions given by the Board to the Committee from time to time" shall be substituted;

(*ii*) in sub-section (*2*),—

(*a*) in clause (*ii*), for the words "the producers", the word "sellers" shall be substituted;

(*b*) in clause (*x*), for the words "for payment of interest on loans raised by it, or advances made to it by the State Government and submit the same for approval to the Director", the words "for the payment of interest on or repayment of, loans

raised by it from or advances made to it by, the State Government, the Board or any financial institution including a Co-operative Bank recognised as such by the State Government by general or special order (hereinafter referred to as a recognised financial institution) and submit the same for approval to the Board", shall be substituted.

Amendment of section 17.

9. In section 17 of the principal Act,—

(*i*) in clause (*iii*), for sub-clause (*b*), the following sub-clause shall be substituted, namely:—

"(*b*) market fees, which shall be payable by purchasers, on transactions of sale of specified agricultural produce in the Principal Market Yard or a Sub-Market Yard at such rates, being not less than one per centum and not more than one-and-a-half per centum of the price of the agricultural produce so sold, or the State Government may specify by notification in the Gazette;";

(*ii*) for clause (*v*), the following clause shall be substituted, namely:—

"(*v*) raise from the State Government or, subject to previous sanction by the State Government, from a recognised financial institution, money required for discharging its functions under this Act.".

Amendment of section 19.

10. In section 19 of the principal Act,—

(*i*) in sub-section (3),—

(*a*) for clause (*iv*), the following clauses shall be substituted, namely:—

"(*iv*) the principal amount of or interest on loans and advances referred to in clause (*x*) of sub-section (2) of section 16;

(*iv-a*) the rent of and taxes on any land and building in possession of the Committee;";

(*b*) for clause (*ix*), the following clause shall be substituted, namely:—

"(*ix*) expenses on agricultural improvement and development of agricultural marketing in the Market Area including the development of roads leading to the Principal Market Yard or the Sub-Market Yards;";

(*c*) after clause (*xi*), the following new clause shall be inserted, namely:—

"(*xi-a*) financial assistance to charitable institutions approved by the Board or recognised educational institutions, subject to a maximum of two per cent. of total receipts [excluding money raised under clause (*v*) of section 17 and grants made by Government in the previous financial year;";

(*d*) in clause (*xvi*), in the proviso thereto, for the word "Director" the word "Board" shall be substituted;

(*ii*) after sub-section (*4*), the following sub-section shall be inserted, namely:—

"(*5*) Every Committee shall, out of its funds, pay to the Board as contribution an amount not exceeding 10 per cent. thereof as the Board may fix from time to time.".

Insertion of new section 19-A.

11. After section 19 of the principal Act, the following section shall be inserted, namely:—

Priorities of liabilities of the Committees.

"19-A. The revenues of a Committee shall, after meeting its operating, maintenance and management expenses, be applied as far as they are available, in the following order, namely:—

(*i*) the repayment of principal amount of, and interest on, loans not guaranteed by the State Government;

(*ii*) the repayment of principal amount of, and interest on, loans guaranteed by the State Government;

(*iii*) the repayment of principal amount of, and interest on, sums paid by the State Government under guarantees, if any, by that Government;

(*iv*) the repayment of principal amount of, and interest on, loans taken from the State Government;

(*v*) the balance remaining to be utilized for the reduction of fees payable to the Committee under this Act or for expenses incurred in the discharge of any of the functions of the Committee, as the Committee may think fit or the Board may direct.".

Substitution of new section for section 21.

12. For section 21 of the principal Act, the following section shall be, and shall be deemed always to have been, substituted, namely:—

Surcharge.

"21. (*1*) The Chairman, Vice-Chairman and every member, officer and servant of the Committee shall be liable to surcharge for the loss, waste or misapplication of any money or property of the Committee, if such a loss, waste or misapplication is a direct consequence of his neglect or misconduct while acting as such Chairman, Vice-Chairman, member, officer or servant.

(*2*) The procedure of surcharge and the manner of the recovery of the amount involved in loss, waste or misapplication shall be such as may be prescribed.

(*3*) No suit shall lie in any court for the recovery of any sum recoverable in the manner prescribed under sub-section (*2*).".

Amendment of section 23

13. In section 23 of the principal Act,—

(*i*) for sub-section (*2*), the following sub-section shall be substituted, namely:—

"(*2*) Every Committee shall have a Secretary and such other officers as may be considered necessary by the Board for the efficient discharge of the functions of the Committee, appointed by

the Board on such terms and conditions as may be provided for in the regulations made by it.";

(*ii*) sub-section (*3*) shall be omitted.

Insertion of new section 23-A.

14. After section 23 of the principal Act, the following new section shall be inserted, namely:—

Constitution of Centralised service and transfer of employees.

"23-A. (*1*) Notwithstanding anything contained in any other provision of this Act, the Board may constitute cadres of secretaries and such other officers common to all Committees as it may deem fit to appoint under sub-section (*2*) of section 23.

(*2*) Every person who was holding a post comprised in a cadre referred to in sub-section (*1*) in any Committee (including a Government servant serving on deputation) shall on and from the date of constitution of the cadre (hereafter in this section referred to as the said date) become a member of the cadre and shall hold his office or service therein by the same tenure, at the same remuneration, and upon the same terms and conditions, and with the same rights and privileges as to pension, gratuity and other matters as he would have held the same on the said date but for the constitution of the cadre and shall continue to do so until his employment as a member of a cadre is terminated or until his remuneration or other terms and conditions of service are revised or altered by the Board under or in pursuance of any law or in accordance with any provisions which for the time being govern his service:

Provided that nothing contained in this section shall apply to any such person who, by notice in writing given to the State Government, may within such time as the State Government may, by general or special order specify, intimates his intention of not becoming a member of the said cadre:

Provided further that the services of any employee referred to in the preceding proviso under the State Government or under a Committee, as the case may be, shall stand terminated on account of abolition of the post held by him and he shall be entitled from the State Government or that Committee concerned, as the case may be, to the compensation equivalent—

(*a*) in the case of a permanent employee—to three months' remuneration;

(*b*) in the case of a temporary employee—to one month's remuneration.

(*3*) Notwithstanding anything in sub-section (*2*) but subject to any express agreement to the contrary, any person referred to therein, who becomes a member of the cadre shall be liable to be transferred from any Committee in which he was employed immediately before the said date to any other Committee at the same remuneration and on the same terms and conditions as governed him immediately before such transfer.

(*4*) The sums standing to the credit of the employees referred to in sub-section (*2*) in any pension, provident fund, gratuity or other

like funds constituted for them shall be transferred by the State Government or the Committee concerned, as the case may be, to the Board along with any accumulated interest due till the said date, along with the accounts relating to such fund, and the Board shall, to the exclusion of the State Government and of any Committee, be liable for the payment of pension, provident fund, gratuity or other like dues as may be payable to such employees at the appropriate time in accordance with the conditions of their service.

(5) Notwithstanding anything contained in any law for the time being in force the transfer of services of any employee to any cadre under sub-section (2) shall not entitle any such employee to any compensation under such law, and no such claim shall be entertained by any court, tribunal or authority.

(6) Every permanent or temporary employee of the State Government or of a Committee becoming a member of the cadre under sub-section (2) shall, on and from the said date become a permanent or temporary member of the cadre as the case may be, against a permanent or temporary post which shall stand created in such cadre with effect from the said date.

(7) Nothing in para 426 or 436 of the Civil Service Regulations as applicable to Government servants under the rule making control of the State Government or in any other rules relating to employees of the Committees in relation to retrenchment or abolition of post shall, except to the extent provided in this section, apply to any employee referred to in sub-section (2).".

Amendment of section 24.

15. In section 24 of the principal Act, in sub-section (2), in clause (c), before the words "the Chairman", the words "the Board" shall be inserted.

Substitution of new section for section 25.

16. For section 25 of the principal Act, the following section shall be substituted, namely:—

Appeals.

"25. Subject to rules made in this behalf under this Act, any person aggrieved by an order passed by a Committee under clause (*i*) or clause (*ii*) of section 17 may, within 30 days of such order, prefer an appeal to the Board in such manner as may be prescribed, and the Board shall decide it after giving an opportunity of hearing both to the appellant and to the Committee.".

Insertion of new section 25-A.

17. After section 25 of the principal Act, the following section shall be inserted, namely:—

Terms and condition of employment of officers and servants of Committees.

"25-A. Subject to rules made in this behalf under this Act, the terms and conditions of employment of the members of a cadre constituted under section 23-A and matters relating to discipline, control and punishment including dismissal and removal of such officers shall be governed by such regulations as may be made by the Board.".

Insertion of new sections 26-A to 26-X.

18. In Chapter V of the principal Act, before section 27, the following sections shall be inserted, namely:—

Establishment of the Board.

"26-A. (1) The State Government shall, by notification in the Gazette, and with effect from a date to be specified therein, constitute a Board by the name of the State Agricultural Produce Markets Board with its head office at Lucknow.

(2) The Board shall be a body corporate by the said name having perpetual succession and a common seal and may sue or be sued by the said name and acquire, hold and dispose of property and enter into contracts.

(3) The Board shall for all purposes be deemed to be a local authority.

Constitution of the Board.

26-B. (1) The Board shall consist of a Chairman appointed by the State Government besides the following other members, namely:—

(a) the Secretary to the State Government in the Agricultural Production Department;

(b) the Secretary to the State Government in the Finance Department;

(c) the Secretary to the State Government in the Food and Civil Supplies Department;

(d) the Special Secretary Agriculture in the Agriculture Department or the Joint Secretary in the said Department dealing with Agriculture, in case there is no Special Secretary in that department;

(e) the Registrar, Co-operative Societies, Uttar Pradesh;

(f) the Director of Agriculture, Uttar Pradesh;

(g) three persons appointed by the State Government from out of the producers elected as members of the Market Committees and for so long as such elected members are not available, any three producers appointed by that Government;

(h) one person appointed by the State Government from out of the traders or commission agents elected as members of Market Committees and for so long as such elected members are not available, any trader or commission agent appointed by that Government;

(i) the Director of Mandis who shall be *ex officio* Secretary of the Board (hereafter in this Chapter referred to as the Member-Secretary).

(2) The appointment of Chairman and other members shall be notified in the Gazette.

(3) A member referred to in clause (a), clause (b), clause (c), or clause (d) may, instead of attending any meeting of the Board himself depute an officer not below the rank of Deputy Secretary, and the member referred to in clause (e) may likewise depute an officer

not below the rank of Additional Registrar, Co-operative Societies and the member referred to in clause (*f*) may like-wise depute an officer not below the rank of Additional Director of Agriculture and an officer so deputed shall also have the right to vote.

Disqualification for being Chairman or other member.

26-C. A person shall be disqualified for being chosen as and for being the Chairman or other member of the Board if he—

(*a*) has been convicted of an offence involving moral turpitude;

(*b*) is an undischarged insolvent;

(*c*) is of unsound mind and stands so declared by a competent Court;

(*d*) holds, except as provided in section 26-D and section 26-E any office of profit under the Board;

(*e*) has, directly or indirectly by himself or by any partner, employer or employee, any share or interest, whether pecuniary or of any other nature, in any contract or employment, with, by, or on behalf of, the Board; or

(*f*) is a director or secretary, manager or other officer of any company which has any share or interest in any contract or employment with, by, or on behalf of, the Board:

Provided that a person shall not be disqualified under clause (*e*) or clause (*f*) by reason only of his or the company of which he is a director, secretary, manager or other officer, having a share or interest in—

(*i*) any sale, purchase, lease or exchange of immovable property or any agreement for the same;

(*ii*) any agreement for loan of money or any security for payment of money only;

(*iii*) any newspaper in which any advertisement relating to the affairs of the Board, is published;

(*iv*) the occasional sale to the Board, up to a value not exceeding ten thousand rupees in any one year, of any article in which he or the company regularly trades.

Term of office of Chairman and other members.

26-D. (*1*) Subject to the provisions of sub-section (*2*) the Chairman and other members of the Board not being *ex officio* members thereof shall hold office for two years unless the term of the Chairman or such other member is determined earlier by the State Government by notification in the Gazette, and shall be eligible for reappointment.

(*2*) A member appointed under clause (*g*) or clause (*h*) of sub-section (*1*) of section 26-B shall cease to be a member of the Board as soon as he ceases to be an elected member of the Market Committee.

(*3*) The Chairman or any other member not being an *ex officio* member may at any time by writing under his hand addressed to the State Government resign his office, and on such resignation being accepted he shall be deemed to have vacated his office.

Other provisions regarding office of the Chairman and members other than *ex officio*.

26-E. (*1*) The Chairman and other members not being *ex officio* members be paid from the Board's fund such remuneration, if any, as may be fixed by the State Government.

(*2*) If the Chairman or any other member as aforesaid is by infirmity or otherwise rendered temporarily incapable of discharging his functions or is absent on leave otherwise in circumstances not involving the vacation of his appointment, the State Government may appoint another person to discharge his functions under this Act.

Appointment of officers and servants.

26-F. (*1*) The Board may appoint such officers and servants as it considers necessary for efficient performance of its functions on such terms and conditions as may be provided for in regulations made by the Board.

(*2*) The Board may, with the previous approval of the State Government, appoint a servant of the Central Government or the State Government as an officer or servant of the Board or of a Committee on such terms and conditions as it thinks fit.

Supervision and control of the Director.

26-G. Subject to the superintendence of the Board, the general control and direction over all the officers and servants of the Board shall be vested in the Director.

Authentication of orders and other instruments of the Board.

26-H. All proceedings of the Board shall be authenticated by the signature of Chairman or the Member-Secretary and all orders and other instruments issued by the Board shall be authenticated by the signature of the Member-Secretary or such other officer of the Board as may be authorised in this behalf by regulations.

Delegation of powers.

26-I. Subject to the provisions of this Act, the Board may, by general or special order, delegate, either unconditionally or subject to such conditions as may be specified in the order, to any sub-committee appointed by it or to the Member-Secretary or any other officer of the Board such of its powers and duties under this Act, as it may deem fit.

Disqualification for participation in proceedings of the Board on account of interest.

26-J. (*1*) The Chairman or any other member of the Board or of sub-committee appointed by the Board who—

(*a*) has any share or interest of the nature described in clause (*e*) or clause (*f*) of section 26-C, in respect of any matter, or

(*b*) has acted professionally, in relation to any matter, on behalf of any person having therein any such share or interest as aforesaid,

shall not, notwithstanding anything contained in the proviso to section 26-C, vote or take part in any proceeding of the Board or Committee relating to such matter.

(*2*) If any member of the Board or of a Committee appointed by the Board has, directly or indirectly, any interest in any area in which it is proposed to acquire land for any of the purposes of this Act, he shall not take part in any meeting of the Board or sub-committee in which any matter relating to such land is considered.

(3) Nothing in sub-section (1) or sub-section (2) shall prevent any member of the Board or sub-committee from voting on, or taking part in discussion of, any resolution or question relating to any subject other than a subject referred to in those sub-sections.

Acts not to be invalidated by informality, vacancy, etc.

26-K. No act done or proceedings taken under this Act by the Board or a sub-committee appointed by the Board shall be invalidated merely on the ground of—

(a) any vacancy or defect in the constitution of the Board or sub-committee; or

(b) any defect or irregularity in the appointment of a person acting as a member thereof; or

(c) any defect or irregularity in such act or proceeding, not affecting the substance.

Powers and functions of the Board.

26-L. (1) The Board shall, subject to the provisions of this Act, have the following functions and shall have power to do anything which may be necessary or expedient for carrying out those functions—

(i) superintendence and control over the working of the Market Committees and other affairs thereof including programmes undertaken by such Committees for the development of Markets and Market Areas;

(ii) giving such direction to Committees in general or any Committee in particular with a view to ensure efficiency thereof;

(iii) any other function entrusted to it by this Act;

(iv) such other functions as may be entrusted to the Board by the State Government by notification in the Gazette.

(2) Without prejudice to the generality of the foregoing provision, such power shall include the power—

(i) to approve proposals of the new sites selected by the Committee for the development of Markets;

(ii) to supervise and guide the Committees in the preparation of site-plants and estimates of construction programmes undertaken by the Committee;

(iii) to execute all works chargeable to the Board's fund;

(iv) to maintain accounts in such forms as may be prescribed and get the same audited in such manner as may be laid down in regulations of the Board;

(v) to publish annually at the close of the year, its progress report, balance-sheet, and statement of assets and liabilities and send copies thereof to each member of the Board as well as to the Chairmen of all the Market Committees;

(vi) to make necessary arrangements for propaganda and publicity on matters related to regulated marketing of agricultural produce;

(vii) to provide facilities for the training of officers and servants of the Market Committees;

(viii) to prepare and adopt budget for the ensuing year;

(*ix*) to make subventions to Market Committees for the purposes of this Act on such terms and conditions as the Board may determine;

(*x*) to do such other things as may be of general interest to Market Committees or considered necessary for the efficient functioning of the Board or may be specified from time to time by the State Government.

Directions on questions of policy.

26-M. (*1*) In the discharge of its functions, the Board shall be guided by such directions on questions of policy as may be given to it by the State Government.

(*2*) If any question arises whether any matter is or is not a matter as respects which the State Government may issue a direction under sub-section (*1*), the decision of the State Government shall be final.

Annual reports, statistics, returns and other information.

26-N. (*1*) The Board, shall as soon as may be after the end of each financial year, prepare and submit to the State Government before such date and in such form, as the State Government may direct, a report giving an account of its activities during the previous financial year, and the report shall also give an account of the activities, if any, which are likely to be undertaken by the Board in the next financial year, and the State Government shall cause every such report to be laid before the State Legislature as soon as may be after it is received by the State Government.

(*2*) The Board shall furnish to the State Government at such times and in such form and manner as the State Government may direct such statistics and returns and such particulars in regard to any proposed or existing activities of the Board or any other matter under the control of the Board as the State Government may from time to time require.

Execution and registration of contracts, etc.

26-O. Every contract or assurance of property on behalf of the Board shall be in writing and executed by such authority and in such manner as may be provided by regulations.

Board's Fund.

26-P. The Board shall have its own fund which shall be deemed to be a local fund and to which shall be credited all moneys received by or on behalf of the Board.

Restriction on unbudgeted expenditure.

26-Q. (*1*) Save where in the opinion of the Board circumstances of extreme urgency have arisen, no sum exceeding such amount as the State Government may from time to time fix in that behalf on account of recurring or non-recurring expenditure shall be spent by the Board in any financial year unless such sum has been included in a statement submitted under sub-section (*1*) of section 26-V.

(*2*) Where any such sum is spent in circumstances of extreme urgency a report thereon, indicating the expenditure, shall be made as soon as practicable to the State Government.

Subvention of the Board.

26-R. The State Government may, after due appropriation by law of the State Legislature, from time to time make subventions to the Board for the purposes of this Act, on such terms and conditions as the State Government may determine.

Loans to Board.

26-S. The State Government may from time to time advance loans to the Board on such terms and conditions, not inconsistent with the provisions of this Act, as the State Government may determine.

Power of Board to borrow.

26-T. (*1*) The Board may from time to time, with the previous sanction of the State Government and subject to the provisions of this Act and to such conditions as the State Government may by general or special order determine, borrow any sum required for the purposes of this Act, whether by the issue of bonds or stock or otherwise or by making arrangement with bankers.

(*2*) The Board may not at any time have on loan under sub-section (*1*), apart from the amount of loans from the State Government, an amount exceeding such amount as the State Government may from time to time fix in that behalf.

(*3*) Stock issued by the Board under this section shall be issued, transferred, dealt with and redeemed in such manner as the State Government may by general or special order direct.

Priorities of liabilities of the Board.

26-U. The revenues of the Board shall, after meeting its expenses, be applied, as far as they are available, in the following order, namely:—

(*i*) the repayment of principal amount of and interest on bonds not guaranteed by the State Government;

(*ii*) the repayment of principal amount of and interest on stock not guaranteed by the State Government;

(*iii*) the repayment of principal amount of and interest on bonds guaranteed by the State Government;

(*iv*) the repayment of principal amount of and interest on stock so guaranteed;

(*v*) the repayment of principal amount of and interest on sums paid by the State Government under guarantees, if any;

(*vi*) the repayment of principal amount of and interest on loans advanced to the Board by the State Government including arrears of such interest.

Accounts and audit.

26-V. (*1*) The Board shall before the commencement of and may at any time during a financial year, prepare a statement or a supplementary statement, as the case may be, of programmes of its activities during that year as well as financial estimates in respect thereof and submit them to the State Government, in such manner and by such dates as it may by general or special order direct, for its previous approval.

(*2*) The Board shall cause to be maintained proper books of account and other books in relation to its accounts and prepare the annual balance-sheet.

(*3*) The accounts of the Board shall be audited by such auditor as the State Government may by general or special order direct, and the auditor so appointed shall have power of requiring the

production of documents and the furnishing of information respecting all matters.

(*4*) The accounts of the Board as certified by the auditor, together with the audit report thereon shall be forwarded annually to the State Government who may issue such directions to the Board in respect thereof as it may deem fit, and the Board shall comply with such directions.

(*5*) The State Government shall—

(*a*) cause the accounts of the Board, together with the audit report thereon, received by it under sub-section (*4*) to be laid annually before each House of the State Legislature, and

(*b*) cause the accounts of the Board to be published in such manner as it thinks fit.

Surcharge.

26-W. (*1*) The Chairman and other members, officers and servants of the Board shall be liable to surcharge for the loss, waste or misapplication of any money or property of the Board, if such loss, waste or misapplication is direct consequence of his neglect or misconduct while acting as such Chairman or other member, officer or servant.

(*2*) The procedure of surcharge shall be such as may be prescribed.

(*3*) Any amount found to be involved in such loss, waste or misapplication as a result of proceedings for surcharge shall be recoverable as arrears of land revenue, and no suit may be instituted in any civil court for the recovery of any such amount.

(*4*) Nothing in sub-section (*3*) shall prevent the Board from deducting any amount referred to therein from any sum payable by the Board on account of remuneration or otherwise to such Chairman or other member, officer or servant.

Regulations.

26-X. (*1*) The Board may, with the previous approval of the State Government make regulations, not inconsistent with this Act and rules made thereunder, for the administration of the affairs of the Board.

(*2*) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(*a*) the summoning and holding of meetings of the Board, the time and place where such meetings are to be held, the conduct of business at such meetings and the number of persons necessary to form a quorum thereat;

(*b*) the powers and duties of the officers and servants of the Board;

(c) the salaries and allowances and other conditions of service of officers and servants of the Board and of officers referred to in sub-section (*2*) of section 23;

(*d*) the management of the property of the Board;

(*e*) the execution of contracts and assurances of property on behalf of the Board;

(*f*) the maintenance of accounts and the preparation of balance-sheet by the Board;

(*g*) the procedure for carrying out the functions of the Board under this Act;

(*h*) any other matter for which provision is to be or may be made in regulations.

(*3*) Until any regulations are made by the Board under sub-section (*1*), any regulations which may be so made by it may be made by the State Government, and any regulations so made may be altered or rescinded by the Board in exercise of its power under sub-section (*1*).".

19. In section 27 of the principal Act,— Amendment of section 27.

(*a*) for sub-section (*1*), the following sub-section shall be substituted, namely:—

"(*1*) Subject to the provisions of this Act, the general superintendence, direction and control over the Committee, its Chairman, Vice-Chairman and other members, its secretary and other officers referred to in sub-section (*2*) of section 23 shall be vested in the Board.";

(*b*) in sub-section (*2*), for the words "Without prejudice to the generality of the foregoing powers, the Director", the words "The Board or the Director" shall be substituted.

20. In section 28 of the principal Act, for the words "State Government", the word "Board" shall be substituted. Amendment of section 28.

21. In section 29 of the principal Act, for the words "State Government" wherever occurring, the word "Board" shall be substituted. Amendment of section 29.

22. In section 30 of the principal Act, in clause (*ii*) for the words "the State Government" except those occurring firstly, the words "the Board" shall be substituted. Amendment of section 30.

23. In section 31 of the principal Act, for the words "the State Government" wherever occurring, the words "the Board" shall be substituted. Amendment of section 31.

24. In section 32 of the principal Act, for the words "the State Government", the words "the Board" shall be substituted. Amendment of section 32.

Amendment of section 33.

25. In section 33 of the principal Act, for the words "or the powers of any other authority under this Act, to any officer or authority subordinate to it", the words "under this Act, to the Board or to any of its officers" shall be substituted.

Amendment of section 39.

26. In section 39 of the principal Act, for the word "Director" wherever occurring, the word "Board" shall be substituted.

Amendment of section 40.

27. In section 40 of the principal Act, in sub-section (*2*), in clause (*xxxi*), the word "and" occurring at the end shall be omitted and after that clause as so amended, the following new clauses shall be inserted, namely:—

"(*xxxi-a*) matter relating to election of members of Committees under sub-section (*2*) of section 13;

(*xxxi-b*) constitution of centralised service under section 23-A; and

(*xxxi-c*) the procedure in respect of surcharge under section 26-W.".

Repeal and savings.

28. (*1*) The Uttar Pradesh Krishi Utpadan Mandi (Sanshodhan) Adhyadesh, 1973, is hereby repealed. U.P. Ordinance 2 of 1973.

(*2*) Notwithstanding such repeal anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act, as if this Act had commenced on the 12th day of June, 1973.

V. V. GIRI,

President.

K. K. SUNDARAM,
Secy. to the Govt. of India.

Reasons for the enactment

For the development of new market-yards, and for efficient data-collection and processing of arrivals in the mandis, a project report involving an outlay of about Rs. 18·83 crores had been submitted to the World Bank. The World Bank team made a detailed study of the mandis in Uttar Pradesh. In their interim report they suggested *inter alia* the constitution of a high powered Central Board for the proper co-ordination and supervision of the work of Market Committees. Such a Board exists in many other States. Constitution of such a Board was also considered necessary to attract institutional finance for the construction of market-yards in such mandis as are not included in the World Bank Project. The Government of India, Ministry of Agriculture (Department of Agriculture) made the following further suggestions:—

(i) In the interest of procurement of foodgrains and also the producer-seller, it is desirable that the market fee levied by the Regulated Market Committee is paid only by the buyer of the notified agricultural produce and that it is not realised from the seller;

(ii) For ensuring the economic viability of Regulated Markets which have to develop the market-yards and various facilities with the help of institutional credit from commercial banks, the purchase or sale by the Central Government or the State Government or by some Government Agency or Co-operative Society is not exempted from the payment of market fee.

2. These suggestions were very important and to provide an impetus to the farmers and to ensure that they get the maximum possible price for their produce, the State Government agreed to make necessary amendments in the Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964.

3. As the State Legislature was not in session the Uttar Pradesh Krishi Utpadan Mandi (Sanshodhan) Adhyadesh, 1973 was promulgated by the Governor on 12th June, 1973 for the above purpose. The proposed measure seeks to replace the said Ordinance.

4. The Committee constituted under the proviso to sub-section (2) of section 3 of the Uttar Pradesh State Legislature (Delegation of Powers) Act, 1973 (33 of 1973) has been consulted before the enactment of this measure as a President's Act.

T. P. SINGH,
Secretary to the Government of India,
Ministry of Agriculture,
(Department of Agriculture).